

EXECUTIVE Vision

◆ A Forum for Georgia Government Leaders ◆ Volume 5, Number 2 ◆ Spring/Fall 2004
◆ Published by the Georgia Merit System ◆ Peggy D. Rosser, Acting Commissioner

THIS ISSUE:

- ❑ **KNOWLEDGE MANAGEMENT**
- ❑ **EVENT CALENDAR**
- ❑ **VIEWPOINT**
Principle-Centered Leadership
- ❑ **NEWSBRIEFS**
- ❑ **PARTNERSHIP FOR YOUTH SUCCESS**

A Systematic Approach To Meeting Organizations Needs **KNOWLEDGE MANAGEMENT**

As state agency leaders strive to meet the demands of current and future generations of Georgians, there are three important questions that need to be addressed:

◆ Do our current employees have the necessary knowledge and internal know-how to successfully carry out the agency's mission, vision and goals?

◆ If so, what steps are being taken to assure this knowledge and internal know-how are transferred to future employees?

◆ If not, what is being done to bridge this knowledge gap?

Most leaders agree that a knowledgeable workforce that correctly applies and uses internal know-how is essential for an organization to accomplish its mission. But too often the process of collecting, distributing and using internal know-how is ill defined or incomplete,

leading to knowledge gaps among employees.

One method for reducing these gaps is by establishing and utilizing a Knowledge Management program. Knowledge Management (KM) is the systematic process of identifying, capturing, displaying and using institutional best practices and know-how. It identifies areas of weakness, and provides a mechanism for knowledge transfer.

Knowledge management is not a new concept in the business world, and it is not new for many State of Georgia agencies. An analysis of the FY2002 and FY2003 Workforce Plans revealed that 20 executive branch agencies were either currently using or planning to use knowledge management strategies to close staffing, diversity and competency gaps. This is an encouraging start.

A Three-step Process

The Audit and Knowledge Management Section of the Georgia Merit System is currently developing an inclusive three-step process to help facilitate the current KM activities within state agencies and provide a foundation for agencies wanting to develop KM programs.

Step one involves the development, identification, collection and organization of the agency's internal knowledge and best practices. In other words, the goal of step one is to know what you know and know where it is. This step however, only moves the organization partially towards an effective KM process. It must now focus on the transfer and use of this knowledge by its employees.

Step two involves the sharing and understanding of the knowledge and best

practices developed and identified in step one. This step involves the distilling of information throughout the organization, assuring that the people who need the knowledge get it.

Finally, step three involves the adaptation and application of knowledge. This is the action step, and in a successful KM program, it needs to be ongoing. It is within step three that the agency's internal knowledge and best practices are used for problem solving, dynamic learning, strategic planning and decision-making.

Knowledge Management Website

The Audit and Knowledge Management Section is also preparing to launch a knowledge management website to serve the State's Human Resource community. Designed to

continued on page 2

NEWSBRIEFS

New FLSA Overtime Rules Take Effect

Changes to the U.S. Department of Labor's (DOL) Fair Labor Standards Act (FLSA) overtime regulations became effective on August 23 for the first time in about 50 years. The new regulations, rules and exceptions were updated to redefine employees' exempt or non-exempt eligibility that distinguishes who can or cannot qualify for overtime pay. While there are many FLSA exemptions and some of the rules still remain ambiguous and lengthy, not

continued on page 3

VIEWPOINT

PRINCIPLE-CENTERED LEADERSHIP: ENHANCING PERFORMANCE EXECUTION OF ORGANIZATIONS

By Peggy D. Rosser, Georgia Merit System Acting Commissioner



US Supreme Court Justice Oliver Wendell Holmes once said, "Greatness is not in where we stand, but in what direction we are moving." To move Georgia state government forward to greater effectiveness and efficiency, a key first step is the development of its leaders.

Since the beginning of his administration, Governor Sonny Perdue has

encouraged changing and strengthening the culture of state government, beginning with the development of its leaders. In February 2004, a steering committee was created and a Principle-Centered Leadership (PCL) pilot was initiated in support of the Governor's vision. Agency heads serving on the Committee and their executive staff began by participating in FranklinCovey's course, The 4 Disciplines of Execution (4DX). 4DX provides tools and processes that enhance an organization's ability to improve execution, focus, and results. Historically, an organization's survival has depended on meeting objectives. But today's workplace demands that organizations focus not just on what's merely important, but what's wildly impor-

tant. The problem is, leaders are challenged with determining what's truly important versus what's just a distraction, and how to get their teams all on the same page. 4DX does just that. It gives managers a set of tools and processes to bring their teams into alignment with the objectives.

In September 2004, the pilot concluded. The participation of these state agencies allowed us to see how universal PCL principles of integrity, leadership and results can be applied across

agencies. We saw the impact this program made in two significant areas: 1.) Implementation of strategic planning or organizational integrity - in other words, the organization actually does what it says it will do; and 2.) Leadership and Alignment - the opportunity to help instill a sense of purpose and clarity of vision, which drives team performance. The pilot program's success was reported to Governor Perdue in a meeting on October 5. Also in attendance were members of the

Pilot Agencies

Department of Natural Resources
Department of Transportation
Department of Community Health
Department of Economic
Development
Georgia Merit System

Control Agencies

State Board of Pardons & Parole
Georgia Bureau of Investigation
Georgia Forestry Commission
Department of Revenue
Department of Administrative
Services

continued on page 4

Knowledge Management *continued from page 1*

serve as a repository for best practice information about a broad range of HR topics, the site will be unique in its functionality, as it will allow HR professionals from across the state to ask, and respond to, "requests for information" about specific practices and policies affecting their agencies.

In this way, the content of the site will be generated by the HR community, and provide a communication mechanism for the sharing of institutional knowledge. This site is scheduled to officially launch in early November, 2004.

Real Benefits

In 2000, KPMG Consulting published their second Knowledge Management Research Report (the first report was published in 1998), which included questions on benefits expected and benefits realized. Of the surveyed organizations that currently had Knowledge Management programs in place:

- ♦ 71 percent reported better decision making
- ♦ 68 percent reported having faster responses to key business issues
- ♦ 64 percent reported

better customer service

- ♦ 63 percent reported improvements in employee skills
- ♦ 60 percent reported improved productivity

Some of the specific benefits that have been reported by various businesses engaged in Knowledge Management activities include:

- ♦ Identifying areas where duplication of effort is reducing productivity.
- ♦ Determining compliance with existing policies, processes and

methods while improving comprehension.

- ♦ Providing a platform for disseminating current activities and initiatives.

Knowledge Management also has an additive effect when linked with succession planning activities. In this role Knowledge Management can help:

- ♦ Identify knowledge gaps where information needed for current and future success is incomplete or missing.

continued on page 4

NEWSBRIEFS *continued from page 1*

all workers will be impacted. The main changes to FLSA will primarily affect employees working in what is often referred to as "White Collar" occupations: executive, administrative, professional, and outside sales. Certain computer professionals may also be included in the category. For the most part, changes won't affect employees in traditional blue-collar fields, occupations such as police and firemen, or employees working under collective bargaining agreements. What may be the most significant change in FLSA is that almost all employees who make less than \$455 a week, instead of the \$250 week criteria in the old guidelines, will qualify for overtime. This criteria is

applicable regardless of the jobs' blue collar or white collar status.

Bryan Webb, of the Attorney General's Office, suggested that Georgia state government will be minimally affected by the new overtime regulations. The Georgia Merit System (GMS) and the USDOL is working together to review and to investigate wage and hour claims in state government. For additional information or if you have any complaints, contact Pat Kinard-Boutte', Compensation and Staffing Division Director, at the GMS.

Additional information and updates concerning FLSA are available at www.dol.gov/fairpay, a web site designed to foster understanding of new FairPay rules.

WORKERS WAGES ARE NOT KEEPING UP WITH INCREASES IN HEALTH INSURANCE PREMIUMS

A recent report from *Families USA*, a nonprofit organization, found that health insurance premiums for American workers are rising approximately three times faster than their monetary compensation.

According to the report, health insurance premiums cost about 14 million employees about a quarter of their earnings in a single year. The September 28 survey, conducted by the nonprofit group that identifies itself as a nonpartisan watchdog on health care issues, found that insurance premiums rose by nearly 36 percent from 2000 to 2004 in at least 35 states. The report showed wages and other employee benefits were being cut during the

same period. Average earnings for employees reportedly rose only 12 percent during the same time frame.

GEORGIA LEADS NASPE EFFORT TO ASSESS TOTAL REWARDS

Georgia headed the National Association of State Personnel Executives' effort to assess Total Rewards, a numeric value on employees' overall compensation including base pay and bonuses; work-related benefits such as health insurance and retirement; and worklife factors such as telework and employee assistance programs. As a result, organizations now have a complete compensation picture to compare with other organizations when trying to attract, recruit and retain high-performing employees. □

Help identifying qualified individuals to serve in state government **PARTNERSHIP FOR YOUTH SUCCESS (PaYS)**

The U.S. Army Recruiting Command Youth Success Program has partnered with companies and state government agencies across the country to match qualified applicants in short-term military careers with prospective employers. Because military personnel gain valuable on-the-job experience, employers have an opportunity to gain the needed skills and personal attributes they seek to ensure a quality workforce in a competitive environ-

ment.

During enlistment, the PaYS database matches employers' job needs with job skills offered by the Army. An agreement is developed for the PaYS enlistee to specify the military skill, civilian job, and the terms of service. Soldiers then serve their country while preparing for their future. Final coordination with the employer occurs before the PaYS participants depart the Army. After the soldiers complete

their active duty tour, they transition to the employer that was chosen at the time of enlistment. Army Reserve participants transition after completing their initial entry training.

Governor Sonny Perdue recommends the PaYS program to Georgia state entities as a recruitment resource.

"As you know, Georgia is a patriotic state that has always supported the military's mission," Perdue said. "The PaYS program pro-

vides an opportunity for Georgia to continue that relationship while identifying qualified individuals to serve in state government."

Organizations have already benefited from similar partnerships such as those established with trade schools, colleges and universities. With PaYS, employers can also distinguish the Army as a quality producer of skilled employees with hands-on experience in teamwork, communication, and leadership. □

KNOWLEDGE MANAGEMENT

continued from page 2

- ◆ Identify which skills and abilities currently play a role in organizational success.
- ◆ Identify which skills and abilities will play a role in future organizational success.

As agencies face the potential retirement of nearly a third of their senior and managerial staff, the time for Knowledge Management is now. The collection, distribution and use of knowledge by younger, less experienced workers is vital if agencies are to continue meeting public demands.

For more information about Knowledge Management, please contact Howard Rasey, GMS Audit and Knowledge Management Section Manager, at 404-657-2379. □

VIEWPOINT *continued from page 2*

Governor's executive staff and author and motivational speaker, Stephen R. Covey; and other invited guests in state government and from the FranklinCovey Institute.

A recommendation to roll out the PCL program to the rest of state government through a Leadership Institute was made. Participating agencies, through sharing and reporting their experience with the pilot program, can now serve to help develop and drive the statewide implementation. The program is designed to train between 8,000 to 20,000 leaders, managers and supervisors in Georgia over the course of three years. PCL will serve as a foundation for agencies to clearly communicate and define goals and monitor progress towards attaining those goals with clear tracking measures.

PCL has three major course components: The Four Roles of a Leader, which focuses on organizational leadership and creating purpose and strategy; The Seven Habits of Highly Effective People, which focuses on improving professional and personal effectiveness; and The Four Disciplines of Execution, which focuses on assessment, leadership and measurement of an organization. Like Georgia's pilot, all state agencies participating in the PCL program will begin with the Four Disciplines of Execution, or strategic leadership. The program will assess how well organizational goals are understood and executed, and will equip leaders with tangible, meaningful tools that can be immediately applied to day-to-day issues. After completing the PCL program, agencies will be able to:

- * Identify strategic goals (Wildly Important Goals).
- * Measure the progress of their organization towards achieving the goals.
- * Involve the workforce to ensure their understanding and contribution to the process.
- * Achieve the goals and objectives that are outlined in strategic plans, programs and operations plans.
- * Successfully manage change in the culture and operations of state organizations.

Through this multi-pronged FranklinCovey PCL curriculum as a core, this leadership development initiative can train and develop leaders to use a principled-centered, results-based approach to successfully execute Georgia's highest strategic priorities. □

EXECUTIVE VISION

Published quarterly by the
Georgia Merit System

Peggy D. Rosser, Acting Commissioner

Deborah Williams, Director
Office of Communications and Marketing

Carletta Henderson-Youngs, Editor

Phone: 404-657-0375
Fax: 404-656-5979
E-mail: chenderson@gms.state.ga.us
Web: www.gms.state.ga.us

Information in this newsletter can be supplied in alternate
formats to comply with the Americans with Disabilities Act.

The Georgia Merit System is an equal opportunity employer.

2 Martin Luther King, Jr. Dr. SE
Suite 502, West Tower
Atlanta, GA 30334

